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## THE CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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**If you are in doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountants or other professional adviser.

**If you have sold all your shares in Powerleader Science & Technology Company Limited**, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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深圳市宝德科技股份有限公司

**Powerleader Science & Technology Company Limited\***

*(a foreign joint stock limited company incorporated in the People's Republic of China with limited liability)*

(Stock Code: 8236)

### PROPOSED BONUS ISSUE OF SHARES

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A letter from the board of directors of the Company is set out on pages 3 to 7 of this circular.

Notices convening the EGM and the Class Meetings to be held at 11:00 a.m. on 8 October 2007 are set out on pages 8 to 18 of this circular. Whether or not you intend to be present at the said meeting(s), you are requested to complete the accompanying forms of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in case of holders of H Shares) or the registered office of the Company at Room 43A, 43rd Floor, Block C, Electronics Science & Technology Building, Shennan Road Central, Futian District, Shenzhen, the PRC (in case of holders of Domestic Shares), no less than 24 hours before the time fixed for holding the relevant meeting or any adjournment thereof. Completion and delivery of the form of proxy will not prevent you from attending, and voting at, the relevant meeting or any adjournment thereof if you so wish.

\* *for identification purpose only*

20 August 2007

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## CHARACTERISTICS OF GEM

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GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. GEM-listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website at [www.hkgem.com](http://www.hkgem.com) in order to obtain up-to-date information on GEM-listed issuers.

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## EXPECTED TIMETABLE

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The expected timetable is shown below:

2007

Last day of dealings in H Shares cum-entitlement to the Bonus H Shares .....	5 September
First day of dealing in H Shares ex-entitlements to the Bonus H Shares .....	6 September
Latest time for lodging transfer of H Shares (to qualify for entitlement to the Bonus H Shares) .....	4:00 p.m. on 7 September
Closure of register of holders of H Shares (both days inclusive) .....	8 September to 8 October
Latest time for lodging forms of proxy for the EGM .....	11:00 a.m. on 7 October
Record Date for determination of entitlement to the Bonus Shares .....	8 October
EGM and the Class Meetings .....	11:00 a.m. on 8 October
Register of holders of H Shares re-opens .....	9 October
Announcement of results of the EGM .....	9 October
Despatch of the certificates for the Bonus H Shares .....	22 October
Commencement of dealings in the Bonus H Shares .....	24 October

*Note:* All times in this circular refer to Hong Kong time.

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## DEFINITIONS

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*In this circular, the following expressions share have the meanings set out below unless the context requires otherwise:*

“EGM”	the extraordinary general meeting of the Company to be held at 11:00 a.m. on 8 October 2007 for the purpose of, among other things, approving the Bonus Issue (including the proposed amendments to the Articles of Association) and the notice of which is set out on pages 8 to 10 of this circular
“Articles of Association”	the articles of association of the Company
“associate(s)”	have the same meaning ascribed to it under the GEM Listing Rules
“Board”	the Board of Directors
“Bonus Domestic Shares”	990,000,000 new Domestic Shares to be allotted and issued pursuant to the Bonus Issue
“Bonus H Shares”	364,500,000 new H Shares to be allotted and issued pursuant to the Bonus Issue
“Bonus Issue”	the proposed issue of Bonus Shares to the Shareholders on the basis of 15 Bonus Shares for 10 Shares held on the Record Date upon and subject to the terms of this circular
“Bonus Shares”	1,354,500,000 new Shares to be allotted and issued pursuant to the Bonus Issue
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Class Meetings”	the class meeting for holders of H Shares to be held immediately after the conclusion of the EGM and the class meeting for holders of Domestic Shares to be held immediately after the conclusion of the said class meeting for holders of H Shares, the respective notices are set out on pages 11 to 18 of this circular
“Company”	深圳市宝德科技股份有限公司 (Powerleader Science & Technology Company Limited), a foreign joint stock limited company incorporated in the PRC with its H Shares listed on the Growth Enterprise Market of the Stock Exchange
“Directors”	the directors of the Company
“Domestic Shares”	the domestic invested shares of nominal value of RMB0.10 each in the share capital of the Company, which are subscribed for in RMB
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the listing of securities on the Growth Enterprise Market of the Stock Exchange

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## DEFINITIONS

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“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“H Share(s)”	the overseas listed foreign invested shares of nominal value of RMB0.10 each in the share capital of the Company, which are listed on GEM and subscribed for and traded in Hong Kong dollars
“Latest Practicable Date”	20 August 2007, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“PRC” or “China”	the People’s Republic of China and, for the purpose of this circular, excludes Hong Kong and the Macau Special Administrative Region
“Record Date”	8 October 2007, the record date by reference to which entitlements to the Bonus Issue will be determined
“Registrar”	the share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	H Shares, Domestic Shares and all shares of other class(es) resulting from any sub-division, consolidation or re-classification thereof from time to time in the share capital of the Company
“Shareholders	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

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LETTER FROM THE BOARD

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深圳市宝德科技股份有限公司

**Powerleader Science & Technology Company Limited\***

*(a foreign joint stock limited company incorporated in the People's Republic of China with limited liability)*

(Stock Code: 8236)

*Directors:*

*Executive Directors*

Mr. Li Ruijie  
Mr. Dong Weiping  
Ms. Zhang Yunxia  
Mr. Ma Zhumao

*Registered Address:*

Room 43A, 43rd Floor,  
Block C,  
Electronics Science & Technology Building,  
Shennan Road Central,  
Futian District,  
Shenzhen, PRC

*Non-executive Directors*

Mr. Sun Wei  
Mr. Wang Lixin  
Mr. Li Donglei

*Independent non-executive Directors*

Mr. Jiang Baijun  
Mr. Lo Yu Tseng, Robert  
Mr. Yim Hing Wah

20 August 2007

*To the Shareholders*

Dear Sir or Madam,

**PROPOSED BONUS ISSUE OF SHARES**

**INTRODUCTION**

As set out in the Company's announcement dated 13 August 2007, the Board proposed the Bonus Issue to the Shareholders, whose names appear on the register of members of the Company on the Record Date, on the basis of 15 Bonus Shares for 10 Shares then held. The Board also proposes to amend the Articles of Association to, among other matters, reflect the increase in the registered capital of the company consequential to the Bonus Issue.

The purpose of this circular is to provide you with, among other things, (i) details of the Bonus Issue, (ii) details of the proposed amendments to the Articles of Association, and (iii) notices of the EGM and the Class Meetings.

\* for identification purpose only

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## LETTER FROM THE BOARD

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### **BONUS ISSUE**

The Board proposed the Bonus Issue to the Shareholders. Holders of H Shares and Domestic Shares whose names appear on the register of holders of H Shares and the register of holders of Domestic Shares of the Company respectively on the Record Date will be entitled to the Bonus Issue. Subject to the fulfillment of the conditions set out in the paragraph headed “Conditions of the Bonus Issue” below, the Bonus Issue will be made by conversion of share premium amounting to RMB35,127,000, capital reserve amounting to RMB229,000 and retained profits amounting to RMB100,094,000 into paid-in capital, on the basis of 15 Bonus Shares for 10 Shares then held.

### **Conditions of the Bonus Issue**

The Bonus Issue is conditional upon the following:

- (i) the passing of the special resolution to approve the Bonus Issue at the respective EGM and the Class Meetings; and
- (ii) in respect of the Bonus H Shares, the GEM Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Bonus H Shares.

### **Basis of the Bonus Issue**

The Bonus Issue will be made on the basis of 15 Bonus Shares, credited as fully paid, for 10 Shares held by the Shareholders whose names appear on the register of members of the Company on the Record Date.

### **Status of the Bonus Shares**

The Bonus Shares will, subject to the Articles of Association, rank pari passu in all respects with the Shares in issue on the date of issue. Holders of the Bonus Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date on which the Bonus Shares are allotted and issued, but will not be entitled to dividends declared by the Company before the date of allotment and issue of the Bonus Shares.

### **Effect to the shareholding on the Bonus Issue**

Based on 903,000,000 Shares in issue as at the Latest Practicable Date, comprising 660,000,000 Domestic Shares and 243,000,000 H Shares, and on the assumptions that no new Shares are allotted or issued and no existing Shares are repurchased prior to the Record Date, upon satisfaction of the conditions set out in the paragraph headed “Conditions of the Bonus Issue” above, the total number of Bonus Shares to be issued pursuant to the Bonus Issue will be 1,354,500,000, in which 364,500,000 Bonus H Shares will be issued to the holders of H Shares and 990,000,000 Bonus Domestic Shares will be issued to the holders of Domestic Shares. It is proposed that the Bonus Issue will be made by conversion of share premium amounting to RMB35,127,000, capital reserve amounting to RMB229,000 and retained profits amounting to RMB100,094,000 into paid-in capital. The Bonus Shares represent 150% of the existing issued share capital of the Company and 60% of the issued share capital of the Company as enlarged by the issue of the Bonus Shares.

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## LETTER FROM THE BOARD

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### Share certificates

Subject to the fulfillment of the conditions of the Bonus Issue as set out in the paragraph headed “Conditions of the Bonus Issue” above, and in the absence of any specific instruction to the contrary received in writing by the Registrar, certificates in respect of the Bonus H Shares will be sent to the persons entitled thereto at their respective addresses shown in the register of holders of H Shares of the Company or in the case of joint holders, to the address of the joint holder whose name stands first in the register of holders of H Shares of the Company. It is expected that certificates for the Bonus Shares will be posted to those entitled thereto at their own risk on or before 22 October 2007.

Fractional entitlements will not be allotted but will be disposed of or dealt with in such manner as the Directors in their absolute discretion deem fit for the benefit of the Company.

### Application for listing

Application will be made to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Bonus H Shares. The Bonus H Shares are not a new class of securities to be listed and accordingly no arrangements are required to be made to enable the Bonus H Shares to be admitted into CCASS. No other part of the equity or debt securities of the Company is listed or dealt in on any other stock exchange and no such listing or permission to deal in is being or is proposed to be sought. Dealings in the Bonus H shares on the Stock Exchange are expected to commence on or before 24 October 2007 and will be subject to stamp duty in Hong Kong.

### Closure of register of holders of H Shares

The register of holders of H Shares of the Company will be closed from 8 September 2007 to 8 October 2007, both days inclusive, during which period no transfer of H Shares will be effected. In order to be qualified for the Bonus Issue, all transfer documents of H Shares accompanied by the relevant share certificates must be lodged with the Registrar at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:00 p.m. on 7 September 2007.

### Reasons for the Bonus Issue

The Bonus Issue is a return to the long-term support and care of the Shareholders to the Company. The Bonus Issue will also allow Shareholders to participate in the business growth of the Company. In addition, it will provide the Company with a wider capital base and therefore increase the marketability of the Shares.

### Warning of Risks of Dealing in Shares

**Holders of H Shares should note that H Shares will be dealt with on an ex-entitlements basis commencing on 6 September 2007. The Bonus Issue is conditional upon the conditions set out in the paragraph headed “Conditions of the Bonus Issue” above. Any Shareholder or other person dealing in the Shares prior to the Company fulfilling the conditions for the Bonus Issue will accordingly bear the risk that the Bonus Issue cannot become unconditional and may not be able to receive Bonus Shares. Shareholders and potential investors should therefore exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

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## **LETTER FROM THE BOARD**

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### **AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

If the Bonus Issue is being approved in the EGM and the Class Meetings, the registered share capital of the Company will need to be increased upon completion of the Bonus Issue and the Articles of Association will be required to be amended accordingly. It is proposed that Articles 18 and 21 of the Articles of Association which sets out the number of issued shares and the shareholding structure of the Company be amended. The proposed amendments to the Articles of Associations are subject to the approval of the Shareholders by way of a special resolution at the EGM and the Class Meetings. Further details of the proposed amendments to the Articles of Association are set out in the notice of EGM and the notices of the Class Meetings set out on pages 8 to 18 of this circular.

### **EGM AND CLASS MEETINGS**

The EGM will be held at Room 43A, 3/F, Block C, Electronic Science & Technology Building, Shennan Road Central, Futian District, Shenzhen, PRC at 11:00 a.m. on 8 October 2007 to consider and, if thought fit, approve, the Bonus Issue (including the proposed amendments to the Articles of Association). The Class Meeting for holders of H Shares will be held immediately after the conclusion of the EGM and the Class Meeting for holders of Domestic Shares will be held immediately after the conclusion of the Class Meeting for holders of H Shares, to consider and, if thought fit, approve the Bonus Issue. Notices of the EGM and the Class Meetings are set out on pages 8 to 18 of this circular. Forms of proxy for use at the EGM and the Class Meetings are enclosed with this circular. Whether or not you intend to be present at such meetings, you are requested to complete the forms of proxy in accordance with the instructions printed thereon and return the same to the Registrar at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in case of holders of H Shares) or the Company's registered office at Room 43A, 43rd Floor, Block C, Electronics Science & Technology Building, Shennan Road Central, Futian District, Shenzhen (in case of holders of Domestic Shares), no later than 24 hours before the time fixed for holding the relevant meeting or any adjournment thereof. Completion and delivery of the form of proxy will not prevent you from attending and voting at the relevant meeting or any adjournment thereof if you so wish.

### **PROCEDURES BY WHICH SHAREHOLDERS MAY DEMAND A POLL**

Article 70 of the Articles of Association sets out the procedure by which Shareholders may demand a poll as follows:

A resolution put to the vote of a meeting shall be decided on a show of hands unless voting is required by the GEM Listing Rules or (before or on the declaration of the result of the show of hands) a poll is demanded. A poll is demanded:

- (a) by the chairman of the meeting; or
- (b) by at least two members present for the time being or by proxy entitled to vote at the meeting; or
- (c) by a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

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## LETTER FROM THE BOARD

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Unless a poll is duly demanded and the demand is not withdrawn, if the chairman of the meeting has declared the result of the show of hands and has recorded the results in the minutes of the meeting, such declaration and record shall be the final and conclusive evidence of the results and there is no need to prove the respective percentages voting for or against a motion.

Any demand for a poll could be withdrawn.

### RECOMMENDATIONS

The Board considers that the Bonus Issue (including the proposed amendments to the Articles of Association), is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of such resolutions at the EGM and the Class Meetings.

Yours sincerely,  
**Powerleader Science & Technology Company Limited**  
**Li Ruijie**  
*Chairman*

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## NOTICE OF EGM

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深圳市宝德科技股份有限公司

**Powerleader Science & Technology Company Limited\***

*(a foreign joint stock limited company incorporated in the People's Republic of China with limited liability)*

(Stock Code: 8236)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “**EGM**”) of Powerleader Science & Technology Company Limited (the “**Company**”) will be held at Room 43A, 43rd Floor, Block C, Electronic Science & Technology Building, Shennan Road Central, Futian District, Shenzhen, PRC on Monday, 8 October 2007 at 11:00 a.m. for the purpose of considering and, if thought fit, approving (with or without modifications) the following resolution as a special resolution:

“**THAT** conditional upon the GEM Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting or agreeing to grant the listing of, and permission to deal in, the H shares of the Company to be issued under the Bonus Issue (as defined below) and the passing of the special resolution approving the Bonus Issue at the respective class meetings for the holders of H Shares and the holders of Domestic Shares:

- (a) the bonus issue (the “**Bonus Issue**”) of shares of the Company (the “**Bonus Share(s)**”) to the shareholders of the Company whose names appear on the register of members of the Company on 8 October 2007 on the basis of 15 Bonus Shares for 10 shares of the Company then held, by conversion of share premium amounting to RMB35,127,000, capital reserve amounting to RMB229,000 and retained profits amounting to RMB100,094,000 into paid-in capital, be and is hereby approved;
- (b) the directors of the Company (the “**Directors**”) be and are hereby authorised to exclude shareholders who are residents outside the PRC or the Hong Kong Special Administrative Region of the PRC, on account of prohibitions or requirements under overseas laws or regulations or for some other reasons which the board of Directors considers expedient;
- (c) consequential amendments to the articles of association of the Company (“**Articles of Association**”) as a result of the Bonus Issue as set out below be and are hereby approved:

Article 18 of the Articles of Association:

By deleting the existing Article 18 in its entirety and substituting thereof with the following new Article 18:

“After its incorporation, the Company has currently issued 2,257,500,000 ordinary shares, the shareholding structure of which is as follows:

\* for identification purpose only

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## NOTICE OF EGM

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1. an aggregate of 1,410,420,000 shares are being held by holders of domestic shares, representing 62.48% of the total share capital;
  - (1) 1,021,845,000 shares are being held by Powerleader Investment Holdings Company Limited, representing 45.26% of the total share capital;
  - (2) 159,637,500 shares are being held by Harbin Shiji Longxiang Technology Development Company Limited, representing 7.07% of the total share capital;
  - (3) 103,295,000 shares are being held by Shenzhen Municipality Luheng Technology Company Limited, representing 4.58% of the total share capital;
  - (4) 125,642,500 shares are being held by Beijing Yali Anda Technology Development Company Limited, representing 5.57% of the total share capital;
2. an aggregate of 239,580,000 shares are being held by holders of unlisted foreign shares, representing 10.61% of the total share capital:
  - (1) 82,250,000 shares are being held by Crosby Chinachips Holdings (2) (BVI) Limited, representing 3.64% of the total share capital;
  - (2) 37,540,000 shares are being held by Front Trend Investment Limited, representing 1.66% of the total share capital;
  - (3) 119,790,000 shares are being held by Murray Venture Limited, representing 5.31% of the total share capital;
3. an aggregate of 607,500,000 shares are being held by holders of overseas listed foreign shares, representing 26.91% of the total share capital.”

Article 21 of the Articles of Association:

By deleting the existing Article 21 in its entirety and substituting thereof with the following new Article 21:

“The registered share capital of the company is RMB225,750,000.”

(The above is the English translation of the Chinese version of the above proposed amendments to the Articles of Association. Should there be any inconsistencies between the English version and the Chinese version, the Chinese version shall prevail. The amended Articles of Association will be effective upon registration with the State Administration for Industry and Commerce, the PRC.)

- (d) the Directors be and are hereby authorised to take any step or sign any document as they consider necessary, desirable or expedient in connection with the Bonus Issue and the transactions contemplated thereunder.”

By order of the Board of Directors of  
**Powerleader Science & Technology Company Limited**  
**Li Ruijie**  
*Chairman*

Shenzhen, the PRC, 20 August 2007

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## NOTICE OF EGM

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### Notes:

1. The register of the members of the Company will be closed from 8 September 2007 to 8 October 2007 (both days inclusive) during which no transfer of shares will be registered during the period. Holders of domestic shares and H shares whose names appeared on the register of the Company on or before 4:00 p.m. 7 September 2007 are entitled to attend and vote at the EGM and may appoint one or more proxies to attend and, in the event of a poll, vote on their behalf. A proxy need not be a shareholder of the Company.
2. In order to be valid, the proxy form, under which it is signed, must be deposited by hand or post, for holders of H shares of the Company to the H shares registrar of the Company at Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen Road East, Wanchai, Hong Kong and, for holders of domestic shares, to the registered address of the Company no less than 24 hours before the time for holding the EGM or no less than 24 hours before the time appointed for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form.
3. Shareholders or their proxies who intend to attend the EGM should complete and return the enclosed reply slip and return it by hand or post to the H shares registrar of the Company (for holders of H shares) or to the registered address of the Company (for holders of domestic shares) on or before 17 September 2007.
4. Shareholders or their proxies shall produce their identity documents when attending the EGM. Shareholders or their proxies should state clearly, in respect of each resolution requiring a vote, whether they are voting for or against a resolution. Abstention votes will not be regarded by the Company as having voting rights for the purpose of vote counts.
5. The EGM and the class meetings are expected to take half day. Shareholders or their proxies attending the meeting shall be responsible for their own travel and accommodation expenses.
6. Details of the registered address of the Company are as follows:

Room 43A, 43rd Floor, Block C, Electronics Science & Technology Building, Shennan Road Central, Futian District, Shenzhen, the PRC

Tel: (86755) 8328 7692

Fax: (86755) 8327 3380

Postal Code: 518031

Contact person: Ms. Nancy Zheng

*As at the date hereof, the Board comprises a total of 10 directors, including Mr. Li Ruijie, Mr. Dong Weiping, Ms. Zhang Yunxia and Mr. Ma Zhumao as executive directors, Mr. Sun Wei, Mr. Wang Lixin and Mr. Li Donglei as non-executive directors and Mr. Jiang Baijun, Mr. Lo Yu Tseng, Robert and Mr. Yim Hing Wah as independent non-executive directors.*



深圳市宝德科技股份有限公司

**Powerleader Science & Technology Company Limited\***

*(a foreign joint stock limited company incorporated in the People's Republic of China with limited liability)*

(Stock Code: 8236)

## NOTICE OF THE CLASS MEETING OF THE HOLDERS OF H SHARES

NOTICE IS HEREBY GIVEN THAT a class meeting of the holders of overseas-listed foreign invested shares of RMB0.10 each (“**H share**”) of Powerleader Science & Technology Company Limited (the “**Company**”) will be held at Room 43A, 43rd Floor, Block C, Electronics Science & Technology Building, Shennan Road Central, Futian District, Shenzhen, the PRC on Monday, 8 October 2007 at 11:15 a.m. (or immediately after the conclusion or, adjournment of the extraordinary general meeting of the shareholders of the Company to be held at the same place and date) for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolution as a special resolution.

### SPECIAL RESOLUTION

“**THAT** conditional upon the GEM Listing Committee of The Stock Exchange of Hong Kong Limited granting or agreeing to grant the listing of and permission to deal in the H shares of the Company to be issued under the Bonus Issue (as defined below) and the passing of the special resolution approving the Bonus Issue at the extraordinary general meeting of the Company and the class meeting for the holders of H Shares:

- (a) the bonus issue (the “**Bonus Issue**”) of shares of the Company (the “**Bonus Share(s)**”) to the shareholders of the Company whose names appear on the register of members of the Company on 8 October 2007, on the basis of 15 Bonus Shares for 10 shares of the Company then held, by conversion of share premium amounting to RMB35,127,000, capital reserve amounting to RMB229,000 and retained profits amounting to RMB100,094,000 into paid-in capital, be and is hereby approved;
- (b) the directors of the Company (the “**Directors**”) be and they are hereby authorised to exclude shareholders who are residents outside the PRC or the Hong Kong Special Administrative Region of the PRC, on account of prohibitions or requirements under overseas laws or regulations or for some other reasons which the board of Directors considers expedient;

\* for identification purpose only

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## NOTICE OF CLASS MEETING OF THE HOLDERS OF H SHARES

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- (c) consequential amendments to the articles of association of the Company (“**Articles of Association**”) as a result of the Bonus Issue as set out below be and are hereby approved:

Article 18 of the Articles of Association:

By deleting the existing Article 18 in its entirety and substituting thereof with the following new Article 18:

“After its incorporation, the Company has currently issued 2,257,500,000 ordinary shares, the shareholding structure of which is as follows:

1. an aggregate of 1,410,420,000 shares are being held by holders of domestic shares, representing 62.48% of the total share capital;
  - (1) 1,021,845,000 shares are being held by Powerleader Investment Holdings Company Limited, representing 45.26% of the total share capital;
  - (2) 159,637,500 shares are being held by Harbin Shiji Longxiang Technology Development Company Limited, representing 7.07% of the total share capital;
  - (3) 103,295,000 shares are being held by Shenzhen Municipality Luheng Technology Company Limited, representing 4.58% of the total share capital;
  - (4) 125,642,500 shares are being held by Beijing Yali Anda Technology Development Company Limited, representing 5.57% of the total share capital;
2. an aggregate of 239,580,000 shares are being held by holders of unlisted foreign shares, representing 10.61% of the total share capital:
  - (1) 82,250,000 shares are being held by Crosby Chinachips Holdings (2) (BVI) Limited, representing 3.64% of the total share capital;
  - (2) 37,540,000 shares are being held by Front Trend Investment Limited, representing 1.66% of the total share capital;
  - (3) 119,790,000 shares are being held by Murray Venture Limited, representing 5.31% of the total share capital;
3. an aggregate of 607,500,000 shares are being held by holders of overseas listed foreign shares, representing 26.91% of the total share capital.”

Article 21 of the Articles of Association:

By deleting the existing Article 21 in its entirety and substituting thereof with the following new Article 21:

“The registered share capital of the company is RMB225,750,000.”

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## NOTICE OF CLASS MEETING OF THE HOLDERS OF H SHARES

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(The above is the English translation of the Chinese version of the above proposed amendments to the Articles of Association. Should there be any inconsistencies between the English version and the Chinese version, the Chinese version shall prevail. The amended Articles of Association will be effective upon registration with State Administration for Industry and Commerce, the PRC.)

- (d) the Directors be and they are hereby authorised to take any step or sign any document as they consider necessary, desirable or expedient in connection with the Bonus Issue and the transactions contemplated thereunder.”

By order of the Board of Directors of  
**Powerleader Science & Technology Company Limited**  
**Li Ruijie**  
*Chairman*

Shenzhen, the PRC, 20 August 2007

Registered address:  
Room 43A, 43rd Floor, Block C  
Electronics Science & Technology Building  
Shennan Road Central  
Futian District  
Shenzhen  
The PRC

**Notes:**

1. The register of the members of the Company will be closed from 8 September 2007 to 8 October 2007 (both days inclusive) during which no transfer of shares will be registered during the period. Holders of domestic shares and H shares whose names appeared on the register of the Company on or before 4:00 p.m. 7 September 2007 are entitled to attend and vote at the EGM and may appoint one or more proxies to attend and, in the event of a poll, vote on their behalf. A proxy need not be a shareholder of the Company.
2. In order to be valid, the proxy form, under which it is signed, must be deposited by hand or post to the H shares registrar of the Company at Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen Road East, Wanchai, Hong Kong no less than 24 hours before the time for holding the EGM or no less than 24 hours before the time appointed for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form.
3. Holders of H Shares or their proxies who intend to attend the EGM should complete and return the enclosed reply slip and return it by hand or post to the H shares registrar of the Company to the registered address of the Company on or before 17 September 2007.
4. Shareholders or their proxies shall produce their identity documents when attending the EGM. Shareholders or their proxies should state clearly, in respect of each resolution requiring a vote, whether they are voting for or against a resolution. Abstention votes will not be regarded by the Company as having voting rights for the purpose of vote counts.

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## NOTICE OF CLASS MEETING OF THE HOLDERS OF H SHARES

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5. The EGM and the class meetings are expected to take half day. Shareholders or their proxies attending the meeting shall be responsible for their own travel and accommodation expenses.
6. Details of the registered address of the Company are as follows:

Room 43A, 43rd Floor, Block C, Electronics Science & Technology Building, Shennan Road Central, Futian District, Shenzhen, the PRC

Tel: (86755) 8328 7692

Fax: (86755) 8327 3380

Postal Code: 518031

Contact person: Ms. Nancy Zheng

*As at the date hereof, the Board comprises a total of 10 directors, including Mr. Li Ruijie, Mr. Dong Weiping, Ms. Zhang Yunxia and Mr. Ma Zhumao as executive directors, Mr. Sun Wei, Mr. Wang Lixin and Mr. Li Donglei as non-executive directors and Mr. Jiang Baijun, Mr. Lo Yu Tseng, Robert and Mr. Yim Hing Wah as independent non-executive directors.*



**深圳市宝德科技股份有限公司**

**Powerleader Science & Technology Company Limited\***

*(a foreign joint stock limited company incorporated in the People's Republic of China with limited liability)*

(Stock Code: 8236)

**NOTICE OF THE CLASS MEETING OF THE HOLDERS OF DOMESTIC SHARES**

**NOTICE IS HEREBY GIVEN THAT** a class meeting of the holders of domestic invested shares of RMB0.10 each (the “**Domestic Shares**”) of Powerleader Science & Technology Company Limited (the “**Company**”) will be held at Room 43A, 43rd Floor, Block C, Electronics Science & Technology Building, Shennan Road Central, Futian District, Shenzhen, the PRC on Monday, 8 October 2007 at 11:30 a.m. (or immediately after the conclusion or adjournment of class meeting of holders of H shares to be held at the same place and date) for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolution as a special resolution:

**SPECIAL RESOLUTION**

“**THAT** conditional upon the GEM Listing Committee of The Stock Exchange of Hong Kong Limited granting or agreeing to grant the listing of and permission to deal in the H shares of the Company to be issued under the Bonus Issue (as defined below) and the passing of the special resolution approving the Bonus Issue at the extraordinary general meeting of the Company and the class meeting for the holders of H Shares:

- (a) the bonus issue (the “**Bonus Issue**”) of shares of the Company (the “**Bonus Share(s)**”) to the shareholders of the Company whose names appear on the register of members of the Company on 8 October 2007, on the basis of 15 Bonus Shares for 10 shares of the Company then held, by conversion of share premium amounting to RMB35,127,000, capital reserve amounting to RMB229,000 and retained profits amounting to RMB100,094,000 into paid-in capital, be and is hereby approved;
- (b) the directors of the Company (the “**Directors**”) be and they are hereby authorised to exclude shareholders who are residents outside the PRC or the Hong Kong Special Administrative Region of the PRC, on account of prohibitions or requirements under overseas laws or regulations or for some other reasons which the board of Directors considers expedient;

\* for identification purpose only

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## NOTICE OF CLASS MEETING OF THE HOLDERS OF DOMESTIC SHARES

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- (c) consequential amendments to the articles of association of the Company (“**Articles of Association**”) as a result of the Bonus Issue as set out below be and are hereby approved:

Article 18 of the Articles of Association:

By deleting the existing Article 18 in its entirety and substituting thereof with the following new Article 18:

“After its incorporation, the Company has currently issued 2,257,500,000 ordinary shares, the shareholding structure of which is as follows:

1. an aggregate of 1,410,420,000 shares are being held by holders of domestic shares, representing 62.48% of the total share capital;
  - (1) 1,021,845,000 shares are being held by Powerleader Investment Holdings Company Limited, representing 45.26% of the total share capital;
  - (2) 159,637,500 shares are being held by Harbin Shiji Longxiang Technology Development Company Limited, representing 7.07% of the total share capital;
  - (3) 103,295,000 shares are being held by Shenzhen Municipality Luheng Technology Company Limited, representing 4.58% of the total share capital;
  - (4) 125,642,500 shares are being held by Beijing Yali Anda Technology Development Company Limited, representing 5.57% of the total share capital;
2. an aggregate of 239,580,000 shares are being held by holders of unlisted foreign shares, representing 10.61% of the total share capital:
  - (1) 82,250,000 shares are being held by Crosby Chinachips Holdings (2) (BVI) Limited, representing 3.64% of the total share capital;
  - (2) 37,540,000 shares are being held by Front Trend Investment Limited, representing 1.66% of the total share capital;
  - (3) 119,790,000 shares are being held by Murray Venture Limited, representing 5.31% of the total share capital;
3. an aggregate of 607,500,000 shares are being held by holders of overseas listed foreign shares, representing 26.91% of the total share capital.”

Article 21 of the Articles of Association:

By deleting the existing Article 21 in its entirety and substituting thereof with the following new Article 21:

“The registered share capital of the company is RMB225,750,000.”

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## NOTICE OF CLASS MEETING OF THE HOLDERS OF DOMESTIC SHARES

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- (d) the Directors be and are hereby authorised to take any step or sign any document as they consider necessary, desirable or expedient in connection with the Bonus Issue and the transactions contemplated thereunder.”

By order of the Board of Directors of  
**Powerleader Science & Technology Company Limited**  
**Li Ruijie**  
*Chairman*

Shenzhen, the PRC, 20 August 2007

Registered address:  
Room 43A, 43rd Floor, Block C  
Electronics Science & Technology Building  
Shennan Road Central  
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**Notes:**

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2. In order to be valid, the proxy form, under which it is signed, must be deposited by hand or post to the registered address of the Company no less than 24 hours before the time for holding the EGM or no less than 24 hours before the time appointed for taking the poll. If the proxy form is signed by a person under a power of attorney or other authority, a notorially certified copy of that power of attorney or authority shall be deposited at the same time as mentioned in the proxy form.
3. Holders of Domestic Shares or their proxies who intend to attend the EGM should complete and return the enclosed reply slip and return it by hand or post to the registered address of the Company on or before 17 September 2007.
4. Shareholders or their proxies shall produce their identity documents when attending the EGM. Shareholders or their proxies should state clearly, in respect of each resolution requiring a vote, whether they are voting for or against a resolution. Abstention votes will not be regarded by the Company as having voting rights for the purpose of vote counts.

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## NOTICE OF CLASS MEETING OF THE HOLDERS OF DOMESTIC SHARES

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